

Unused or Abandoned Equipment Removal Plan Inglewood Oil Field

Baldwin Hills CSD Sections L.14 and E.21.a; Settlement Agreement Term 15

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Freeport-McMoRan Oil & Gas 5640 South Fairfax Avenue Los Angeles, CA 90056

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1 Introduction

Freeport-McMoRan Oil & Gas (FM O&G) operates the Inglewood Oil Field in the Baldwin Hills zoned district of Los Angeles County. The Inglewood Oil Field covers approximately 1,000 acres and is surrounded by single and multiple family dwellings as well as recreational, institutional, commercial, and industrial uses. To address issues of land use compatibility with surrounding land uses, the Los Angeles County Board of Supervisors recently adopted the Baldwin Hills Community Standards District (CSD) to provide a means of implementing regulations, safeguards, and controls for activities related to drilling for and producing oil and gas within the Inglewood Oil Field.

1.1 CSD/Settlement Agreement Requirements

CSD conditions E.21.a., L.14 and Settlement Agreement Item 12 require a plan for identification and removal of unused or abandoned equipment is as follows:

E. 21. a

Equipment Removal. All facilities that have reached the end of their useful economic life shall be properly decommissioned and removed from the oil field within one year. Areas not slated for future use shall be restored and revegetated within 90 days of termination of use, unless such restoration and revegetation would interfere with fire safety or access to oil operations.

L.14

Within 180 days following the effective date, or at such later date as may be approved by the director for good cause shown, the operator shall develop and submit to the director, for review and approval, an unused or abandoned equipment removal plan identifying all equipment at the oil field that is no longer in service and can be removed. This plan shall provide an inventory of all unused equipment and procedures for testing and handling the equipment pursuant to the operator's health and safety protocol. The plan shall identify a schedule for removal of the out of service equipment. The operator shall take such actions as may be necessary for the plan to be approved by the director. The plan shall be implemented in accordance with the schedule for removal contained therein, and in all events shall be fully implemented within one year of the director's approval, unless extended by the director for good cause shown. A compliance report shall be filed with the director semi-annually until all the unused or abandoned equipment identified in the plan has been removed.

Settlement Agreement Term 12

Any equipment not identified for decommissioning and removal in PXP's 2009 Clean-Up Plan (Section 22.44.142.E.21.a) that becomes unused or abandoned should be identified for removal in an updated plan. On an annual basis, if no updated removal plan is submitted by PXP, the Department shall inquire of PXP if any additional equipment has been abandoned or is no longer used such that a new plan is required. As part of

the annual EQAP audit, the County shall conduct a review of equipment at the site to determine if additional equipment should be removed. If there is such equipment, the Department shall require an updated removal plan.

2 Equipment Removal Plan

2.1 Plan Overview

This report presents the plan for removal of unused or abandoned equipment onsite at FM O&G, in accordance with CSD requirements set forth in Section L.14 of the CSD. The removal plan identifies all equipment at the oil field that is no longer in service and has been removed. The plan provides an inventory of qualifying equipment, the corresponding schedule for removal of said equipment, and addresses appropriate procedures and policies for removal.

Section E.21 of the CSD is currently being satisfied through the combination of proposed CSD compliance and existing operations. This proposed removal plan satisfies sub-section A – Equipment Removal. Sub-section C – Site Debris and Vegetation is addressed by FM O&G separately with the Equipment Storage Screening Strategy report. There will be a periodic review to identify any facilities that have reached the end of their useful economic life. A timeline for removal will be included in the annual update if one is required pursuant to Term 15 of the Settlement Agreement.

2.2 Abandoned Equipment Inventory & Removal Schedule

An inventory of abandoned or unused equipment on-site at the Inglewood field was carried out and are reflected as item 1-68 in Attachment 1. The Plan has been updated as of December 2013 to include item 69 that was removed between in December 2013. The inventory contains on-site equipment that has been removed in compliance with the CSD. Since the original plan update and submittal, all equipment referred to in Figure 1 and shown on Attachment 1 has been removed.

Figure 1 - Abandoned Equipment Inventory and Removal Schedule

Map #	Inventory Item	Location	Testing & Handling Requirements	Actual Removal Date
1	Piping and old equipment	Old Yard	Lead & Asbestos per EHS 2.17 (example)	2/4/2008
2	Stock Wash Tank	STK TNK Setting	Lead & Asbestos per EHS 2.17 (example)	3/1/2008
3	Stock Wash Tank	STK TNK Setting	Lead & Asbestos per EHS 2.17 (example)	3/2/2008
4	Waste Water Tank	Shell Tank Setting	Lead & Asbestos per EHS 2.17 (example)	4/15/2008
5	Waste Water Tank	Shell Tank Setting	Lead & Asbestos per EHS 2.17 (example)	4/16/2008
6	Wash Tank	Shell Tank Setting	Lead & Asbestos per EHS 2.17 (example)	4/17/2008
7	Stock Tank	Shell Tank Setting	Lead & Asbestos per EHS 2.17 (example)	4/18/2008
8	Wash Tank	Rubel Setting	Lead & Asbestos per EHS 2.17 (example)	6/11/2008
9	Slop Tank	Rubel Setting	Lead & Asbestos per EHS 2.17 (example)	6/11/2008
10	22188 Tank	Rubel Setting	Lead & Asbestos per EHS 2.17 (example)	6/11/2008
11	25086 Tank	Rubel Setting	Lead & Asbestos per EHS 2.17 (example)	6/11/2008
12	Slop Tank	Unit Water Plant	Lead & Asbestos per EHS 2.17 (example)	7/14/2008
13	Wemco	Unit Water Plant	Lead & Asbestos per EHS 2.17 (example)	7/15/2008
14	Pumps and Piping	Unit Water Plant	-	7/16/2008
15	5k Waste Water Tank	Rubel Setting	Lead & Asbestos per EHS 2.17 (example)	7/31/2008
16	Stock Tank	LAI 5k Setting	Lead & Asbestos per EHS 2.17 (example)	8/13/2008
17	Stock Tank	LAI 5k Setting	Lead & Asbestos per EHS 2.17 (example)	8/13/2008
18	STK Fresh Water Tank	East of water tk	Lead & Asbestos per EHS 2.17 (example)	8/21/2008
19	Wash Tank	Cone Tank Setting	Lead & Asbestos per EHS 2.17 (example)	8/28/2008
20	Stock Tank	Cone Tank Setting	Lead & Asbestos per EHS 2.17 (example)	8/28/2008
21	75X190 Tank	Tvic Water Plant	Lead & Asbestos per EHS 2.17 (example)	9/22/2008
22	85C91M Tank	Tvic Water Plant	Lead & Asbestos per EHS 2.17 (example)	9/23/2008
23	03M91P Tank	Tvic Water Plant	Lead & Asbestos per EHS 2.17 (example)	9/24/2008
24	Wash Tank	Tvic Water Plant	Lead & Asbestos per EHS 2.17 (example)	9/25/2008
25	Stock Tank	Dour Tank Setting	Lead & Asbestos per EHS 2.17 (example)	11/18/2008
26	Wash Tank	Dour Tank Setting	Lead & Asbestos per EHS 2.17 (example)	11/18/2008
27	Wash Tank Wash Tank	Dour Tank Setting	Lead & Asbestos per EHS 2.17 (example)	11/18/2008
		Dour Tank Setting	Bette & Assesses per Bris 2007 (commerce)	11/19/2008
28	Piping Slan Tonk	Cone Tank Setting	Lead & Asbestos per EHS 2.17 (example)	12/1/2008
29	Slop Tank	Tvic lact	Lead & Asbestos per EHS 2.17 (example)	1/23/2009
30	Tvic Gauge Tank	Tvic lact	Lead & Asbestos per EHS 2.17 (example)	1/23/2009
31	Tvic Gauge Tank		Lead & Asbestos per EHS 2.17 (example)	1/23/2009
32	7 Vessels	Tvic lact Vic 2 Setting	Lead to Assessos per Erro 2.17 (example)	1/25/2009
33	Heater Treater	Vic 2 Setting Vic 2 Setting		1/26/2009
34	Heater Treater	Vic 2 Setting Vic 2 Setting		1/26/2009
35 36	Piping Piping and old	Vic 2 Setting		3/2/2009
37	equipment Tvic Boot	Tvic Tank Farm	Lead & Asbestos per EHS 2.17 (example)	4/29/2009
38	Tvic Office & Sheds	Tvic	Zam Wateres per Zam Zam (manapa)	4/29/2009
39	Vic 2 Gauge Tank	Vic 2	Lead & Asbestos per EHS 2.17 (example)	4/30/2009
40	Gauge Tank	Vic 2 Setting	Lead & Asbestos per EHS 2.17 (example)	5/1/2009
40	Wash Tank	Vic 2 Setting	Lead & Asbestos per EHS 2.17 (example)	5/1/2009
	Vic 2 Wash Tank #2	Vic 2 Setting	Lead & Asbestos per EHS 2.17 (example)	5/1/2009
42		Vic 2	Lead & Asbestos per EHS 2.17 (example)	5/1/2009
43	Vic 2 Liquid Accum. Mufflers and Coolers	North side gas plant	Lead to 1 100 colors per Erro 2111 (commission)	7/3/2009
44		West side Last Chance		12/1/2009
45 46	Transformer Piping	Lai Creek		12/1/2009

Map #	Inventory Item	Location	Testing & Handling Requirements	Actual Removal Date
47	Piping and Pads	North of Lai 5k		12/1/2009
48	Transformers and Pad	North side of N Biofarm		12/1/2009
49	Gauging Tank	Vic 1-12 Setting	Lead & Asbestos per EHS 2.17 (example)	12/1/2009
50	Gas Plant Mufflers	Old Yard		12/1/2009
51	Old Sand Dumps	Old Yard		12/1/2009
52	Baker Trailer	North of Water Plant		12/7/2009
53	Black Car	North of Water Plant		12/7/2009
54	Seal Water Tank	Central Flood		12/7/2009
55	Gauging Tank	BC-15 Setting	Lead & Asbestos per EHS 2.17 (example)	12/7/2009
56	Shed	Next to Rubel 30		12/7/2009
57	Shed	Next to Vic 1-125		12/7/2009
58	Separator	BC-15 Setting		12/15/2009
59	Equipment	BC-632		12/15/2009
60	Electrical Equipment	South of Johnson 10k		12/15/2009
61	Heater	West of Lai Com 1- 2178	2	12/15/2009
62	Green Vessel	West of Lai Com 1- 2178		12/15/2009
63	Mixing Tub	By Acid Tanks		12/15/2009
64	Small White Tank	South of Lai Pits		12/15/2009
65	Wash Tank 1	Stocker		2/15/2012
66	Wash Tank 2	Stocker		2/15/2012
67	Gauge Tank 1	West of Fairfax Ave.		6/15/2012
68	Gauge Tank 2	West of Fairfax Ave.		6/15/2012
69	Vickers 2 Wash Tank	Near West LA College		12/1/2013

2.3 Equipment Storage and Removal Policies and Procedures

As of this update there are no unused or abandoned equipment identified for removal per the appropriate procedures and policies of FM O&G in keeping with the requirements of the CSD. When equipment is identified for removal, it shall be handled and removed per existing FM O&G procedures for equipment handling and removal. Additionally, FM O&G will recycle all scrap metal from demolition and equipment removal projects, and will maintain records indicating the total weight of scrap sold to the recycling center. Removal is implemented using the following procedures, as is evidenced by this summary for tank demolition and removal below.

Figure 2 -Demolition Testing and Handling Guidelines

Summary of Tank and Equipment Demolition Guidelines for Testing and Handling

- 1. Conduct asbestos and lead-based paint sampling
- 2. Test contents of all tank and equipment to verify they are non-hazardous prior to establishing disposal or recycling method.
- For transformers, test for PCBs and handle appropriately.
- If necessary, ensure demolition contractor submits AQMD 10 day notification with copy to PXP area EH&S Department.
- 5. Obtain estimate of quantity of Asbestos Containing Material ("ACM") for disposal from demolition contractor to enable EH&S to order appropriate disposal containers.
- 6. Prior to commencement of demolition activities, address the following:
 - Conduct a pre-job safety meeting and complete Safe Work Permit. If any cutting (torch), chipping or grinding is performed, a Hot Work Permit is also required.
 - Certified ACM contractor required onsite for removal ACM in amounts >100 square feet.
 For ACM <100 square feet, contract personnel handling the ACM must complete minimum training requirements.
 - If lead based paint and asbestos are identified in quantities triggering OSHA action levels, appropriate respiratory protection will be worn.
 - If entry into tank is required, Permit Required Confined Space Entry procedures will be followed.
- 7. Upon completion of activities, EH&S to call Waste Transporter for proper disposal at Approved site. Ensure all manifest paperwork is completed properly and provide company copy to EH&S. For all scrap metal, haul to on site scrap metal staging area.

Conclusion

FM O&G has addressed the CSD and Settlement Agreement requirements for unused or abandoned equipment removal in this plan. All abandoned or unused equipment to date has been identified by FM O&G personnel, presented in the inventory, and a removal date for each of these unused or abandoned items has been implemented. Finally, procedures for removal have been included to illustrate that appropriate removal measures are being followed to ensure that equipment removal is carried out in a safe and environmentally friendly manner.